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2011 Sep-30 PM 02:18 U.S. DISTRICT COURT N.D. OF ALABAMA

EXHIBIT C

STEPTOE & JOHNSON LLP

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September 16, 2011

VIA EMAIL

Scott Laseter, Esq. Kazmarek Geiger & Laseter LLP 3490 Piedmont Road, NE Suite 350 Atlanta, GA 30305

Re: Alabama Gas Corporation v. Travelers Casualty and Surety Company, et al., No.

2:10-cv-01840-IPJ 09-C-59 (N. D. Ala.)

Dear Scott:

I write regarding several discovery issues.

Production of Documents Relied on by Experts

Alagasco has not produced the following documents relied on by Lee A. DeHihns, III in his September 13, 2011 expert report:

ALA005117; ALA005118-ALA005126; and ALA005127-ALA005133

Please produce the documents immediately.

In Dennis Unites' September 13, 2011 expert report, he relies on several aerial photographs. The report does not identify the photographs in such a way that we can locate them in the documents that Alagasco has produced to date. Please identify the photographs and, as discussed below, please produce photograph-quality copies.

If there are any other documents that Alagasco's experts are relying on that have not been produced, please immediately produce those as well.

Production of Final Site Report and Photographs and Certain Oversize Documents

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It is our understanding that the removal action at the Huntsville site has been completed. Please produce a copy of any and all final reports that have been prepared, including the removal action completion report.

Additionally, please produce photograph-quality or full-scale copies of the following:

ALA0002232 – 2239; ALA0021532 – 1543; GEI005426 – 29; and GEI5431 - 5444

The documents identified above are either black and white reproductions of actual photographs or appear be reduced-scale copies of larger-scale documents. Travelers needs photograph-quality copies of the original photographs and full-scale copies of any oversize documents. Travelers continues to review Alagasco's documents productions and reserves its right to make similar requests regarding other photographs or reduced-scale copies of documents.

Alagasco's Privilege Logs

Travelers requests that Alagasco produce any reports regarding the status of the Huntsville manufactured gas plant site, including any photographs, that are identified as "attorney work product" on Alagasco's First and Second Privilege Logs. *See*, *e.g.*, Alagasco's First Privilege Log at 35 – 37. The work product doctrine only applies to materials prepared "in anticipation of litigation or for trial by or for another party or its representative." FED R. CIV. P. 26(b)(3)(A). Travelers does not believe that Alagasco has met its burden to establish that the following documents constitute work product: ALA009935-37; ALA010286-392; ALA010063-66; ALA01140-68; ALA011206; ALA012920-958; ALA013634-719; ALA019222-24; ALA019225; ALA019457-65; ALA019466-75; ALA019476-79; ALA019480-93; ALA019503-10; ALA019511-20; ALA019535-36; ALA019540-42; ALA019550; ALA019599-606; ALA019607-609; ALA019610-19; ALA019622-27; ALA019652-56; ALA019658-62; ALA019664-68; and ALA019670-74. Moreover, assuming solely for argument's sake that the documents constitute work product, Travelers has a substantial need for this information because they appear to be the sole source for information, including photographs, regarding conditions at the Huntsville site at certain periods of time.

Alagasco has no basis to withhold document number ALA003761-3879, identified as a 2001 "Report Entitled 'Manufactured Gas Plants Sites in the State of Alabama." In Dennis Unites' September 13, 2011 expert report, he appears to identify this report as a basis for forming his opinions. Report at 9. Thus, under Federal Rule of Civil Procedure 26(b)(4)(C), Travelers is entitled to review this document. Additionally, document numbers ALA007419-7485; ALA009771; ALA010532-566; ALA010785-786; and ALA019424-430 would not appear to be protected for similar reasons. Please produce these documents and any other documents

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identified on the privilege logs that were considered by Alagasco's experts in forming their opinions.

There are other documents identified on the logs that require additional explanation from Alagasco. Please provide us with more information regarding the following: ALA003757-60; ALA005370-71; ALA007773-8177; ALA008661-8664; ALA010251-85; ALA010532-566; ALA010965; ALA012825; ALA018432-837; ALA019317; ALA019347-61; ALA019540-42; and ALA019598.

Last, please confirm whether the following individuals are attorneys and, if so, whether they represent or represented Alagasco:

Beeny, Raymond;

Byrne, James M.;

E.W.;

Greene, J.N.;

Jahnel, W.M.;

Kerredge, N.R.;

Knight, C.R.;

Putnam, Roger;

RCW;

Scarpato, Michael;

Shillito, Bob; and

Van der Berg, C.

Alagasco's Late Production of Documents

Travelers is notifying Alagasco that it may seek to re-open the deposition of Alagasco's 30(b)(6) witness, Danny Smith, due to Alagasco's late production of documents. On August 31, 2011, Travelers deposed Mr. Smith. On September 2, 2011, Travelers received a supplemental production of documents from Alagasco, which consisted of more than 3,000 pages of documents. Travelers has the right to ask Alagasco's 30(b)(6) about these documents, as well as any other documents that Alagasco may produce after August 31, 2011. Because Alagasco's late document production prevented Travelers from doing so, Travelers reserves the right to re-open Alagasco's 30(b)(6) deposition.

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Please consider this letter Travelers' effort to meet and confer with Alagasco regarding the issues addressed above. Please let us know if you would like to schedule a call to discuss.

Sincerely,

Ruth S. Kochenderfer Attorney for defendants

cc: Rebecca Wright Pritchett, Esq.